

ND RETIREMENT AND INVESTMENT OFFICE
Combined Balance Sheet
As of 3/31/2006

	As of <u>3-31-06</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,528,538,200	\$ 1,458,148,767
INTERNATIONAL EQUITIES	792,709,039	751,581,435
DOMESTIC FIXED INCOME	1,802,476,104	1,627,107,621
INTERNATIONAL FIXED INCOME	154,313,506	144,258,400
REAL ESTATE POOL	296,195,895	216,275,745
VENTURE CAPITAL	131,564,922	123,797,307
INVESTED CASH (NOTE 1)	<u>237,377,970</u>	<u>68,245,056</u>
 TOTAL INVESTMENTS	 4,943,175,636	 4,389,414,331
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	21,970,669	21,609,527
CONTRIBUTIONS/ASSESSMENTS REC	0	7,403,583
MISCELLANEOUS RECEIVABLES	<u>5,257</u>	<u>2,188</u>
 TOTAL RECEIVABLES	 21,975,926	 29,015,298
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	8,767,269	8,905,245
DUE FROM OTHER AGENCIES (NOTE 3)	165,032	89,903
FIXED ASSETS (NET) (NOTE 4)	<u>1,013,164</u>	<u>1,013,164</u>
 TOTAL ASSETS	 <u><u>\$ 4,975,097,027</u></u>	 <u><u>\$ 4,428,437,941</u></u>
 LIABILITIES:		
ACCOUNTS PAYABLE	3,335,728	3,464,962
ACCRUED EXPENSES	471,726	442,004
CAPITAL LEASES PAYABLE	9,550	9,550
DUE TO OTHER AGENCIES (NOTE 5)	<u>165,027</u>	<u>89,903</u>
 TOTAL LIABILITIES	 3,982,031	 4,006,419
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	4,424,431,522	3,975,436,484
CASH IN DURING YEAR (NOTE 6)	312,363,541	302,922,897
CASH OUT DURING YEAR (NOTE 7)	227,418,518	298,051,573
NET INCREASE (DECREASE)	<u>461,738,451</u>	<u>444,123,714</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>4,971,114,996</u>	 <u>4,424,431,522</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 4,975,097,027</u></u>	 <u><u>\$ 4,428,437,941</u></u>

ND RETIREMENT AND INVESTMENT OFFICE
Combined Profit and Loss Statement
For the Month Ended 3/31/2006

	Month Ended <u>3-31-06</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 12,385,616	\$ 91,909,291
SECURITIES LENDING INCOME	<u>2,036,539</u>	<u>15,926,644</u>
	14,422,155	107,835,935
 GAIN ON SALE OF INVESTMENTS	 96,325,998	 499,924,740
LOSS ON SALE OF INVESTMENTS	<u>22,625,763</u>	<u>165,288,424</u>
 NET GAINS (LOSSES) INVESTMENTS	 73,700,235	 334,636,316
 INVESTMENT EXPENSES	 304,501	 14,370,928
SECURITIES LENDING EXPENSES	<u>1,970,587</u>	<u>15,168,043</u>
 NET INVESTMENT INCOME	 85,847,302	 412,933,280
 NET APPREC (DEPREC) MARKET VALUE	 (29,668,115)	 84,436,568
MISCELLANEOUS INCOME/(EXPENSE)	<u>19,185</u>	<u>(1,077,113)</u>
 TOTAL INVESTMENT INCOME	 56,198,372	 496,292,735
 CONTRIBUTIONS & ASSESSMENTS (NOTE 8)	 5,643,846	 35,328,687
PURCHASED SERVICE CREDIT (NOTE 9)	228,451	1,935,761
PENALTY & INTEREST (NOTE 10)	<u>502</u>	<u>2,384</u>
 TOTAL ADDITIONS	 <u>62,071,171</u>	 <u>533,559,567</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 11)	7,551,162	68,324,202
PARTIAL LUMP SUM BENEFITS PAID	0	21,045
REFUNDS TO MEMBER (NOTE 12)	<u>226,523</u>	<u>1,991,175</u>
 TOTAL BENEFITS PAID	 7,777,685	 70,336,422
 ADMINISTRATIVE EXPENSES		
SALARIES AND BENEFITS	76,723	709,401
OPERATING EXPENSES	47,461	775,293
EQUIPMENT	<u>0</u>	<u>0</u>
 TOTAL ADMINISTRATIVE EXPENSES	 <u>124,184</u>	 <u>1,484,694</u>
 TOTAL DEDUCTIONS	 <u>7,901,869</u>	 <u>71,821,116</u>
 NET INCREASE (DECREASE)	 <u>\$ 54,169,302</u>	 <u>\$ 461,738,451</u>

ND RETIREMENT AND INVESTMENT OFFICE
Notes to Combined Financial Statement
March 31, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

NOTE 2 OPERATING CASH

Money market and checking accounts at the Bank of North Dakota and RIO's operating account at the State Treasurer's Office.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 FIXED ASSETS

Office furniture and equipment capitalized by RIO, shown net of depreciation. Depreciation is calculated straight-line, over five years.

NOTE 5 DUE TO OTHER AGENCIES

Amounts received from agencies in excess of amounts allocated for RIO administrative expenses.

NOTE 6 CASH IN DURING YEAR

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

NOTE 7 CASH OUT DURING YEAR

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

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Notes to Combined Financial Statement
3/31/2006

NOTE 8 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 9 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

NOTE 10 PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 11 BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 12 REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.